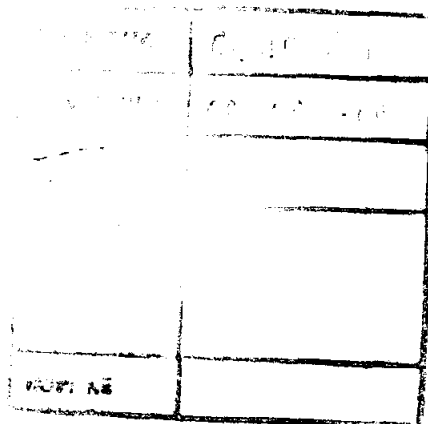
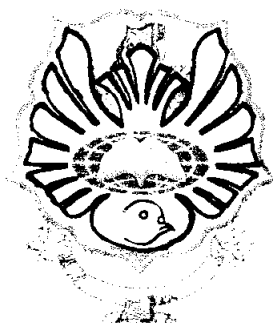


# **DESIGNING PURCHASING AND INVENTORY MANAGEMENT SYSTEM IN C CAFÉ TO SUPPORT OPERATION AND MARKETING MIX**

## **A THESIS**

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**WIDYA MANDALA CATHOLIC UNIVERSITY**  
**MASTER OF MANAGEMENT PROGRAM**  
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MANAGEMENT SYSTEM IN C CAFÉ  
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**THESIS**

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## ACKNOWLEDGEMENT

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Fasco A. H.

## SUMMARY

Globalization had raised competition in every aspects and forms of businesses, including restaurant and café industry. As competition gets tighter, the industry undergoes price-wars of mega discount deals. The way to avoid this war is to enter the market with small profit margin thus price is perceived as affordable. On the other hand, this method must be accompanied by low costing to keep profit margin at desired level. To keep costs at preferred level, one of the best ways is to control inventory outstandingly.

Restaurant inventory control is not as simple as retailers, as one product would consist of more than one ingredients. This inventory control can be achieved through well designed supply management system which should be able to handle inventory and purchasing management automatically whilst also able to produce real time inventory stock reports.

From the discussion, it was found that the current system is not interconnected between the transactional processing system to the accounting (back office) system; hence inventory reporting is not punctual and accurate. To create inventory management system, the two systems are connected by adding item used and cost to create automatic reordering and real time stock reporting. For the purchasing management system, a decision support system is needed to control minimum order, reorder level and automatic reordering system. This decision support system is also built by adding stock cut record (waste / spoil) and delivery time of supplier to determine the best amount and time to reorder. By developing Inventory and Purchasing Management System; financial and inventory strategic reports are able to be generated in a timely manner. It is also suggested to develop a holistic supply chain management system to better control the inventories from the very early stage at the suppliers to the end user of customers.

## ABSTRACT

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Whilst restaurant and café industry is submerged into price war era in term of mega discount offers and low-priced products, it would not generate only little profit but also potential loss if costing is not well controlled. In this research, an inventory and purchasing management system is being developed from current transaction processing system and accounting (back office) system to automate inventory reordering, purchasing, as well as financial and strategic reporting.

A qualitative research method is being used in this thesis as form of case study to understand better of the current system being used and how it could be developed.

“C” Café is currently using point of sale system as transaction processing system and different system for back office. An inventory and purchasing management system is designed in this research by adding parameters to connect the two systems and enable inventory and purchasing automation and control through clear and punctual reporting. The system being developed would control cost at desired level thus giving the cafe company competitive advantage and also help marketing mix decisions.

**Keywords:** Transaction Processing System, Inventory and Purchasing Management System, Competitive Advantage, Marketing Strategic Decisions, Cost Control.



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